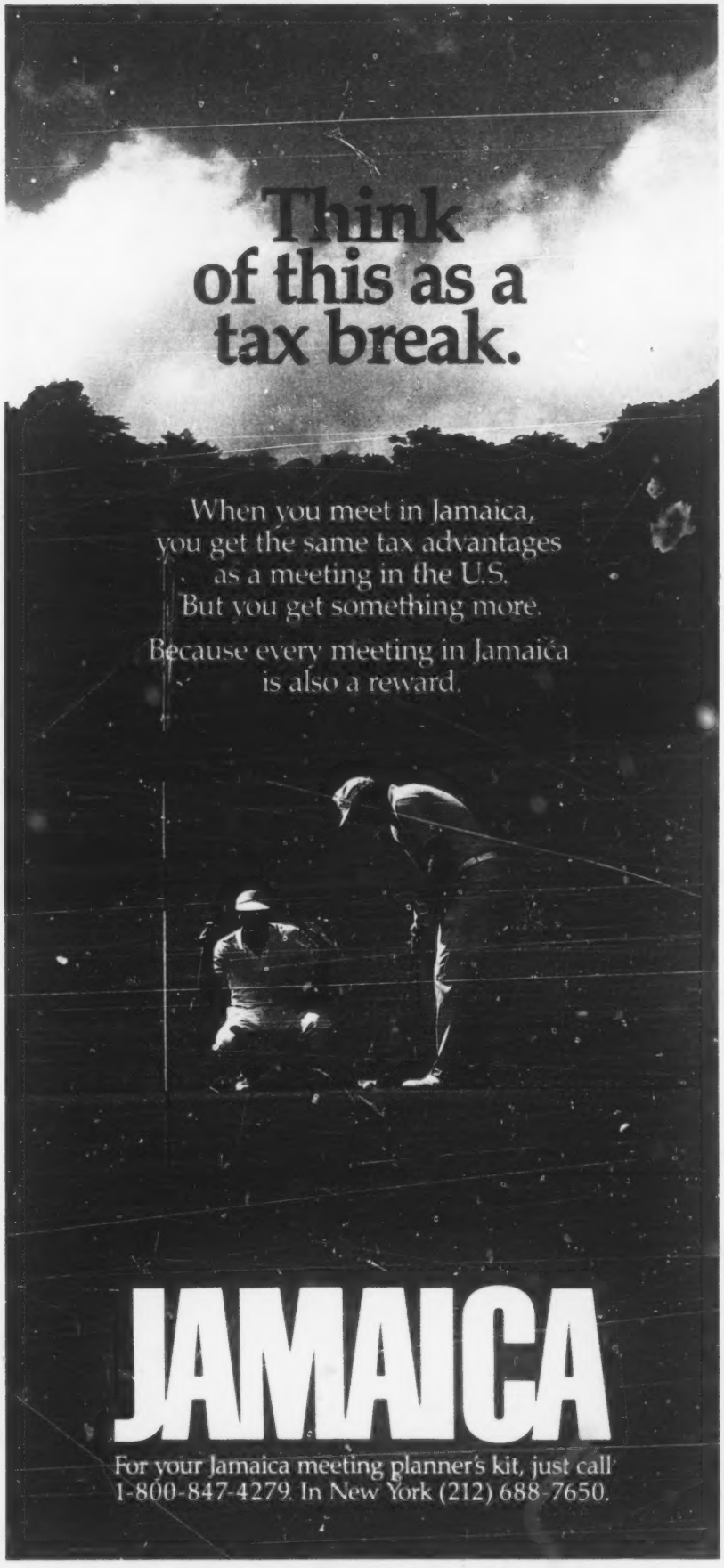
Think of this as a tax break.
When you meet in Jamaica, you get the same tax advantages as a meeting in the U.S. But you get something more.
Because every meeting in Jamaica is also a reward.
JAMAICA
For your Jamaica meeting planner's kit, just call 1-800-847-4279. In New York (212) 688-7650.

Cricket matches and calypso bands seem equally at home in Barbados.

park. Visitors descend stairs and, through windows, view marine life in its natural habitat.

Over the next five years, the Bahamas will add several thousand luxury rooms in its existing inventory, according to George Suhr, senior marketing consultant for the Bahama Ministry of Tourism in Coral Gables, Fla. By the end of 1989, for example, the new $130 million Carnival's Crystal Palace Resort & Casino at Cable Beach will have its full complement of 872 rooms and 25,000 square feet of meeting space. In Freeport on Grand Bahama Island, the 200-room Lucayan Bay Hotel is being reconstructed adjacent to the Lucayan Beach Hotel & Casino. After 1989, the hotels will operate in tandem, offering a total of 500 deluxe rooms.

Upscale resort development is not limited to Nassau and Freeport, however. Ambitious projects are in the works for Eleuthera and Andros in the Family Islands. A large resort complex with tennis, golf and a pleasure yacht marina is planned for South Eleuthera, adjacent to the Winding Bay Beach Resort, with a probable opening date in 1990. On the lush island of Andros, the government has tagged 5,000 acres of land at Fresh Creek for development; 1,000 to 1,500 guest rooms and possibly a casino are anticipated.

■ BARBADOS

Cricket matches and calypso bands seem equally at home in Barbados, which boasts the oldest parliament in the Western hemisphere. Last February, Xerox Canada treated a group of 140 incentive winners and their spouses to a stay at the Heywoods Barbados. To promote the program, the Ontario-based company used posters, letters and video presentations with a "Treasure Island" theme, said manager of product marketing Vladimir Haltigan.

One evening during the trip, the group enjoyed a recreated craft market with folk and limbo dancers. On

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RECOMMENDED READING

Baedeker's Caribbean	Baedeker	$14.95
Fielding's Bermuda and Bahamas	Fielding	7.95
Fielding's Caribbean	Fielding	12.95
Fodor's Caribbean	Fodor	12.95
Frommer's Shopper's Guide to the Caribbean	Frommer	11.95
Guide to Jamaica	Moon Publications	7.95
Guide to Puerto Rico, Virgin Islands and Dominican Republic	Moon Publications	8.95
Insight Guide Jamaica	APA	16.95

Source: Phileas Fogg's Books and Maps for the Traveler, #87 Stanford Shopping Center, Palo Alto, Calif. 94304-1424, (800) 533-FOGG or (800) 233-FOGG in California

the final awards night for top qualifiers, a police band and troops of local singers provided the entertainment. The reported highlight of the trip was a pirate cruise aboard the Jolly Roger, one of several large boats that may be chartered for special events.

Groups can bring the Jolly Roger close to shore, off-load people into smaller boats and have these boats sail back to the hotel for a red-carpet, beach-side landing. The carpet is flanked by lighted candles as guests make their way from the boat to the hotel dining room or to the beach for a barbecue dinner.

Available for day or nighttime voyages, the Atlantis II, a 50-foot sightseeing submarine, has seating for 28 passengers. A boat may be chartered to run from the Bridgetown Harbor area to the dive site. Winners can party on the charter boat for several hours, while small groups participate in the Atlantis II dives.

New to Barbados is the 75-room Pemberton Royal Pavilion. Next year, Kings Beach will debut with 60 rooms and meeting space.

BERMUDA

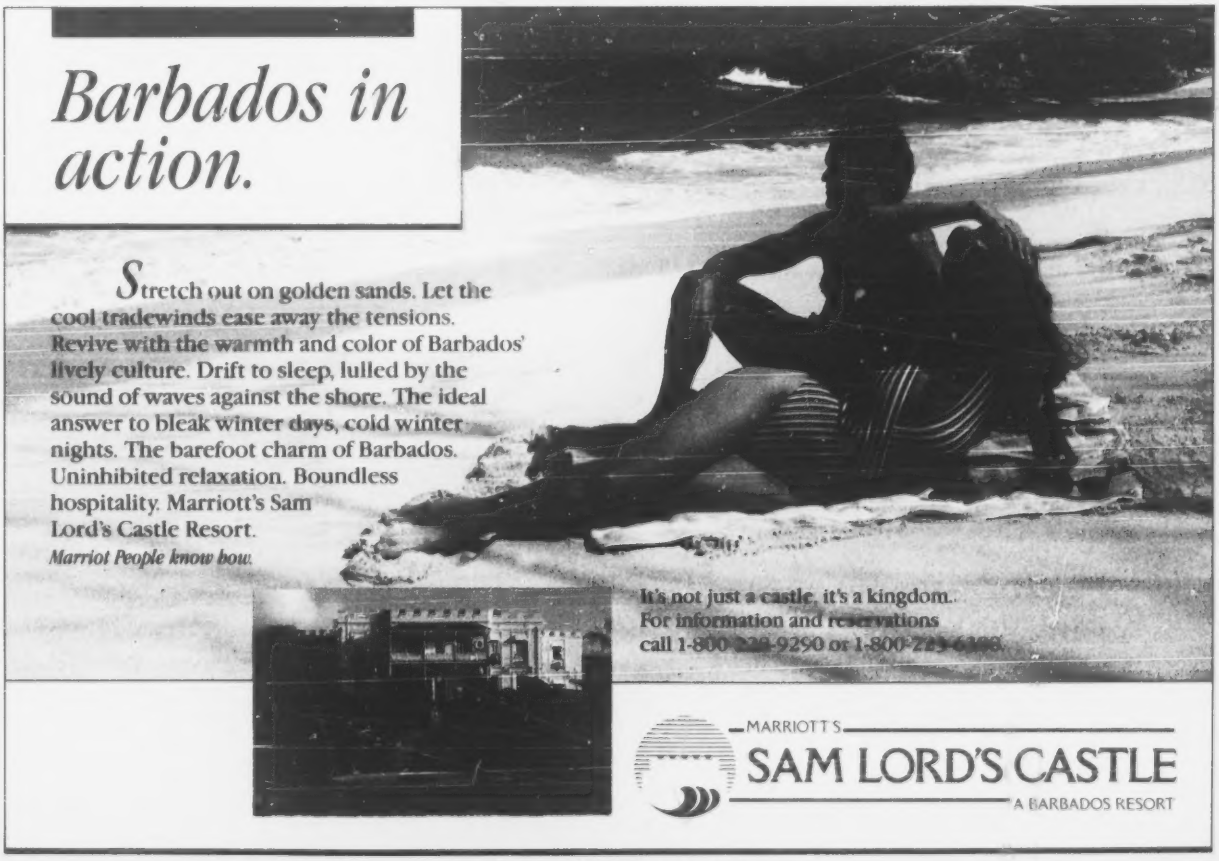
Britain's oldest colony is situated in the Atlantic Ocean some 500 miles from Cape Hatteras, N.C. Bermuda's winters are warm enough for golf and tennis—and for incentive groups that favor this neat and tidy, hassle-free destination and want to benefit from low, off-season rates.

Bermuda recently spent more than $20 million expanding its airport and adding a new departure lounge. Car rentals are nonexistent on the island, but six-seater taxis are now available for airport transfers and may be reserved in advance by incentive groups.

The best way to brave the island's narrow, winding streets is by moped. Penboss Associates Ltd., a Bermuda-based destination management company, recommends a moped rally that doubles as a sightseeing trip.

The newest attraction is the submarine Enterprise, which can accommodate 48 persons in a dive off the coast of St. George. The Enterprise may be chartered for a full day.

For a private casino night, Penboss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A BARBADOS RESORT

director of destination management Carla Fountain recommends adding the Bermudian game of Crown and Anchor Board to the usual blackjack and poker contests. Or how about an Ascot evening featuring wooden horses and "riders" in jockey attire? Horses may be named after a company's products or its division managers.

The Old Royal Naval Dockyard in Hamilton, soon to make its debut, will add another entertainment dimension. The complex includes the Bermuda Maritime Museum and renovated Bermuda Cooperage building, where local artists will display their woodworking, quilting and silkscreening crafts. The complex will be available for cocktail parties and theme events.

Bermuda has a moratorium on new construction. However, the Marriott Castle Harbour recently added a wing of 120 new rooms, and the Sonesta Beach Hotel & Spa enlarged its meeting space to provide a total of 15,000 square feet.

JAMAICA

The land of rum and reggae is wooing incentive travelers with native cuisine, colorful markets and unusual sightseeing adventures. Visitors to the island can horseback ride in the Blue Mountains or climb the Dunns River Falls, which drop a staggering 600 feet to the sea from wooded limestone cliffs. Visitors can check clothing and valuables in a locker, don bathing suits and hire a local guide to lead a group up the rocks to the top of the falls. The guide will carry the group's cameras for picture taking. Another option is to arrange for a night climb topped off with a feast of Jamaican delicacies and reggae or calypso music.

Normally, rafting on the Martha Brae River consists of an experienced local raftsman propelling a bamboo raft of tourist-passengers. For a more activist version, incentive groups can organize rafting races and hire a steel band as background music. More sedentary-minded group members can cheer on the participants.

Last year, the 20-acre botanical Gardens of Carrinosa opened in Ocho Rios. The site offers rare tropical blossoms, an aviary, an aquarium, a restaurant and an ideal venue for cocktail parties and other group celebrations.

In the new-accommodations category, Jamaica-Jamaica, the all-inclusive Super Clubs resort in Ocho Rios, has added 80 rooms for a total of 152. In Negril, a 90-minute drive from the airport at Montego Bay, the 200-room Grand Lido property will open its doors next year.

CONTINUED ON NEXT PAGE

Visitors to Jamaica can horseback ride in the Blue Mountains or climb the Dunns River Falls, which drop a staggering 600 feet to the sea from wooded limestone cliffs.

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Elbow Beach is the largest and only private beach in all of Bermuda with its own complete self-contained resort. It's a seaside 34-acre landscaped garden dotted with private lodgings, a resort hotel, 3 restaurants, a shopping mini-mall, olympic pool, tennis, all water sports and access to great golf courses. We've learned that the surest way to please our guests is to give them more than they can do. And send them home happy. Please contact Fran Tucker in Bermuda at 809-236-0671 for assistance.

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THE ELBOW BEACH HOTEL BERMUDA

Elbow Beach Hotel, Paget, Bermuda. John R. Jefferis, Vice President and General Manager, (809) 236-3535. Telex: 380-32-68. Fax: 236-8043.

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■ PUERTO RICO

On the one hand, Puerto Rico is a lively island playground of beach resorts and casinos. On the other, it is an artistic and cultural center with quaint colonial streets and historic monuments.

As for incentive possibilities, "in the past two years, there has been a virtual night-and-day change in Puerto Rico," says Gregory Kurdian, president of Sunbound, a Miami Beach-based destination management company that handles several Caribbean islands. "The quality of the infrastructure, the orientation of the hotels toward the incentive market [and] their capability for major incentive 'theming' is outstanding."

New construction continues to sweep the island. Additions to the 1990's landscape will include a Ritz Carlton property, the 1,000-room El Conquistador, and the Sands Hotel & Casino near the Dorado Beach Hotel. A 436-room Sands Hotel & Casino recently opened adjacent to the 392-room El San Juan; The two properties are offering a joint package of rooms and meeting space to the incentive market.

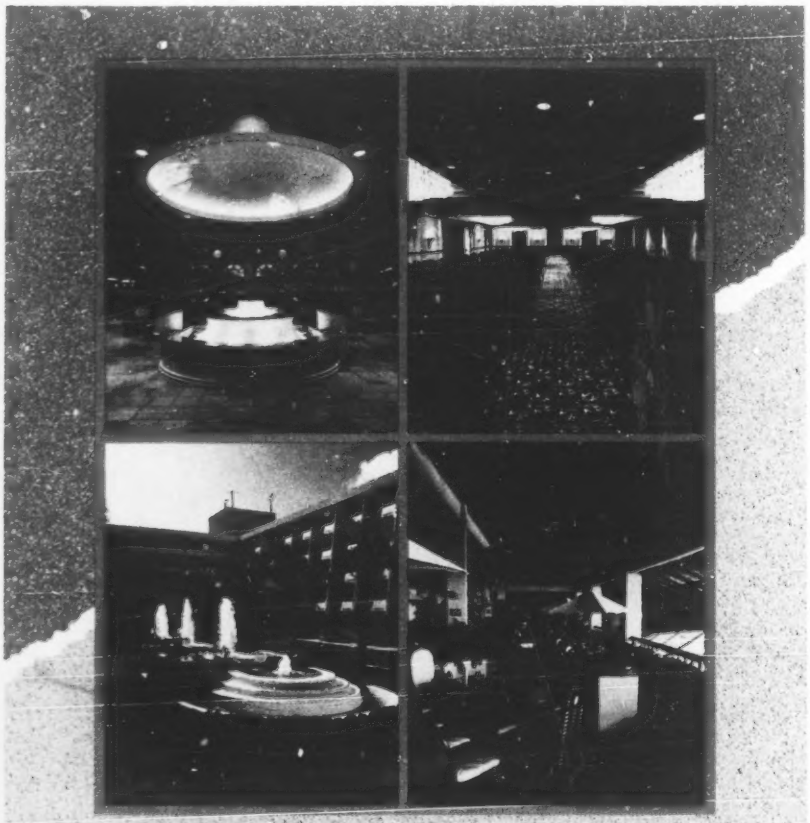
The Dupont Plaza, which burned down a few years ago, has been renamed the Palm and will open later this year with 450 rooms. The 180-suite Normandy Hotel, an art-deco creation of stucco and gold leaf, will reopen by year's end under Radisson management.

Bidding has begun on the La Concha Hotel and Condado Beach Hotel & Convention Center, which the government has put up for sale and earmarked for major expansion during the early 1990's. The Condado Plaza has added a new casino, executive center and health club.

On the island's Southwest coast, 56 villas have been added to the luxury resort village of Palmas del Mar for a total of 300 units. About an hour from San Juan near Luquillo Beach and the El Yunque rain forest, construction has begun on the Rio Grande project, a complex of two hotels, condominiums, marina and golf course. The 800-room development will have some rooms available by 1990, says Carlos Diago, deputy director of tourism for the Commonwealth of Puerto Rican Tourism Company in San Juan.

Eastern Airlines recently spent $45 million upgrading its hub area at San Juan International Airport. American Airlines, not to be outdone, will invest another $100 million in its San Juan hub. When completed, the project will provide additional U.S. gateways to the Caribbean, as well as connections with eight European markets and 12 South American ones.

Ponce, "Pearl of the South" and Puerto Rico's second largest city, is expanding its airport in the hopes of becoming a major port and tourist center. Hilton is preparing to open a 180-room beach-front hotel in Ponce next year. This provincial capital is rich in tourist attractions, including a pre-Columbian archaeological site, a colorful waterfront and marketplace, and the architecturally notable Ponce Museum, with paintings by European and Puerto Rican artists.



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FRENCHMAN'S REEF BEACH RESORT

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The Camuy Caves, a fascinating underground network, are being developed as a tourist site. Last year, a complex of underground tunnels was opened up to visitors, who can tour the caves and Rio Camuy river in small trams. Special rates are available for group visits to the site.

■ ST. MARTIN

As a tourist destination, this half-French, half-Dutch island is a spectacular success story. Both Paris and Amsterdam have financed ambitious waterfront developments. Two deluxe properties—the 253-room L'Habitation and 156-room La Belle Creole—have placed St. Martin squarely on the incentive travel map. Another new hotel, the 150-room PLM Azur Oyster Bay, also will market to incentive groups.

Marigot, the island's French capital, has traded its sleepy fishing-village character for a more sophisticated ambiance. New boutiques, marinas and restaurants abound, and the accent is unmistakably Gallic. Wine tasting parties may be arranged through St. Martin's local shops and restaurants. Dine-arounds offer a chance to sample authentic French cuisine as well as local creole specialties. Another option is a visit to the studios of local artists-in-residence. And in duty-free St. Martin, perfumes are on sale for as much as one-half their U.S. price.

G. LYNN/FRENCH WEST INDIES TOURIST BOARD

Visits to local artists' studios are an option on St. Martin. Above, a painting by Grand Case's Gloria Lynn.

■ U.S. VIRGIN ISLANDS

The totally tax-deductible U.S. Virgin Islands offer excellent dine-around opportunities, superb weather and deluxe hotels with complete beach facilities, notes Thomas Van Wert, sales incentive specialist for the U.S. sales division of the Eastman Kodak Company, Rochester, N.Y. Last March, Wert escorted 86 winning sales representatives and their spouses on a week-long stay at the Stouffers Grand Beach Resort in St. Thomas.

Kodak's winners were treated to a day sail from St. Thomas to the

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neighboring island of St. John, with food and drinks on board. The group swam and snorkeled and then sailed back on three separate boats. "It was particularly exciting for people who have done very little sailing in their lives," Wert says. The cost was approximately $60 per person.

Among the newer properties to grace the Virgin Islands is the Divi Grapetree Beach Hotel on St. Croix with 86 rooms. The property is planning additional facilities: 190 units and a 5,000-square-foot convention space by 1990.

The new Sapphire Beach Resort on St. Thomas opened with 81 rooms this year; by 1990, the $72 million project will include 300 suites and villas, a convention center and a 67-slip private marina. The Ritz Carlton Hotel Company will make its presence felt in St. Croix by 1991 with a 450-room property. □

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IDEAS

▶ The ***San Diego Marriott Mission Valley***, slated to open in mid-December, will offer 350 guest rooms, 14 meeting rooms and 8,448

square feet of function space. Other features include an outdoor heated swimming pool, a spa, two lounges, two restaurants and two tennis courts. Contact corporate sales manager Alecia Phinney at (619) 692-3800.

▶ The ***Golden Tulip Aruba Caribbean Resort & Casino*** is seeking additional incentive business on a year-round basis. Unique offerings include: the resort's newest tower, the 172-room Caribbean wing, which can be set aside for an entire group; development of new theme parties; a full-time social director to help plan group activities; private yacht cruises and beach olympics. Special rates are available for groups requiring 10 rooms or more. Contact sales and marketing director Al Perry at (212) 486-2996.

▶ The new 350-room ***Sheraton Firenze Hotel*** is three miles from downtown Florence, Italy. Contact J. J. Gubbins, Sheraton vice president/incentives director, at (312) 565-0735.

▶ ***Ansett Airlines of Australia***, Los Angeles, has put together "The Ansett Holiday Collection: A Portfolio of Australia's Great Destinations." The guide details some of the country's most "interesting and luxurious" properties and activities. For a copy, contact Rigo Banuelos at (213) 642-7487.

▶ Need a motivational venue in Boston? ***Boston By Sail Inc.*** offers sailboat cruises along the historic waterfront. Boats vary in size, holding four to 20 passengers. Contact Gerri

Riggs or Kathy Whalen at (617) 742-3313.

► Consider ***Here's Chicago!*** for your next special event in the Windy City. Located in Chicago's historic Water Tower Pumping Station, the hall can accommodate up to 150 people for a sit-down dinner, up to 600 for a cocktail reception and up to 200 in its giant-screen theater. Sound-and-sight shows about Chicago can be arranged. For rates and availability, call Ann Bakopoulos at (312) 467-5307.

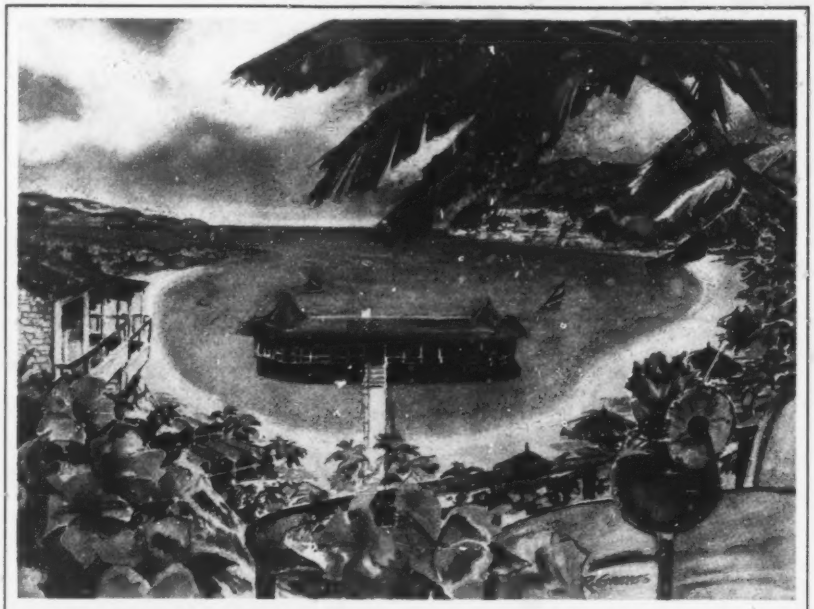
► The ***Barbados Board of Tourism***'s new group travel guide includes information on climate, cuisine, shopping, customs and immigration, airline service and suitable hotels for incentive winners. Contact Shirley Monteil at (800) 221-9831 or at (212) 986-6516 in New York.

BARBADOS

► The 169-room ***Le Warwick Hotel***, Geneva, has introduced an incentive program for groups of up to 300 winners. The hotel can arrange four special excursions. Options include: a day trip to a cheese factory in Gruyeres, lunch and a balloon ride at Chateau-d'Oex; a two-hour cruise on Lake Geneva followed by lunch; a half-day tour of Geneva's countryside with wine tasting in old cellars and lunch at the castle-turned-hotel Chateau Vieux, and a mid-afternoon steamboat excursion along Lake Geneva followed by a candlelight dinner in the castle stables of 18th-century Chateau de Coppet. Group rates are guaranteed through 1990. Contact Lindsey Harman, vice president of Warwick Marketing Services, at (212) 397-0705.

► ***Westin Stamford and Westin Plaza***, Singapore, introduce new theme parties, including "travel through a time warp" to a Chinese imperial courtyard and a "Malay fishing village party." The hotel's ballroom can accommodate 6,000 people. Contact Bob Dauner at (312) 337-8105.

► The 200-room Hotel Tahara'a in Papeete, Tahiti, recently became the ***Hyatt Regency Tahara'a***. Each room features a private lanai and both mountain and ocean views. Contact Robert Estum at (312) 750-1234. □



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INCENTIVE

MANAGING AND MARKETING THROUGH MOTIVATION

FACTS Survey

THE CASE AGAINST COMPETITION

PLUS

- Tourism: Can your business benefit?
- Marketing to secretaries
- Fitness plans that pay off

Does author/lecturer Alfie Kohn's controversial theory of motivation rule out incentives?

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A BILL PUBLICATION • FORMERLY INCENTIVE MARKETING, INCORPORATING INCENTIVE TRAVEL

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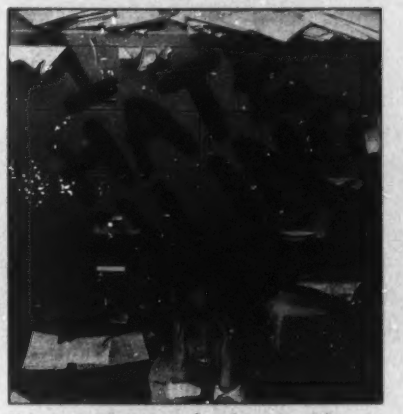

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Why 12 brands are better than one. See page 8.

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INCENTIVE

INCENTIVE MARKETING

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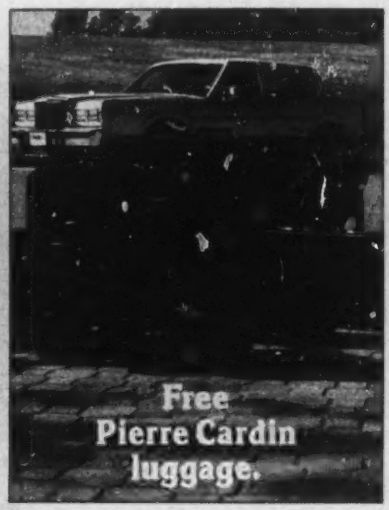
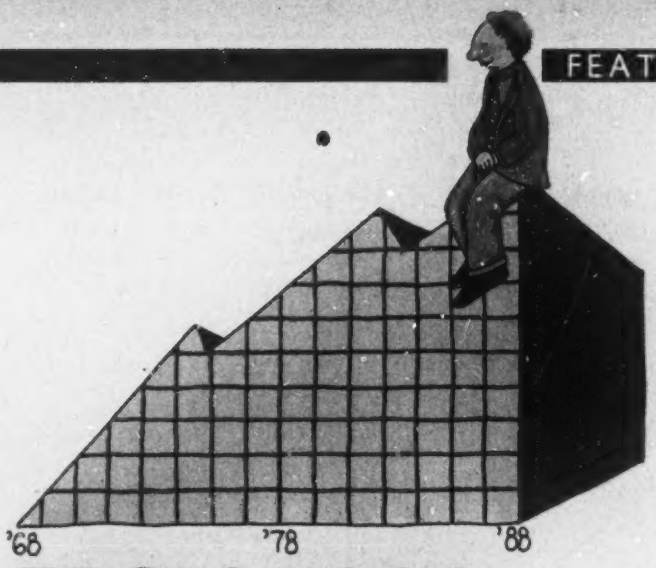


Luggage and travelers. See page 86.



FACTS 1988

Increased emphasis on dealer and employee motivation keep overall incentive spending on the upswing.

Motivation expenditures this year resist superlatives in every area. With the exception of dealer incentives, spending in all categories has not risen as much as in 1987. Marketers' sales results are pretty good but fall below recent standards. And the cost of promotions generally has risen moderately but is higher than in the past two years.

Total estimated expenditures come in about 5.3 percent over last year's—one percentage point below the 1987 growth rate and about a point ahead of inflation. That brings the dollar estimate for incentive spending to $14.71 billion.

Sales incentives continue to represent the biggest chunk of the field, with a 6.6 percent advance for the year. It cost marketing executives a little more to realize a little less in sales. Average increase from salesforce motivation programs is 19.7 percent, compared with 20.9 percent last year. At the same time, the average cost—measured as a share of incremental sales—rose to 15 percent this year from 12 percent in 1987.

These sales incentive users cut back significantly in their travel programs. Estimates of expenditures dropped from an expansive 10.7 percent a year ago to only 3.8 percent growth now. This change may be traced to very large increases in reported costs of sales incentive trips in both 1987 and 1988. Merchandise spending rose 7.7 percent this year, just slightly below last year's 7.9 percent.

With dealer incentives, survey respondents show more enthusiasm this year than last: a 6.3 percent increase in expenditures compared with last year's lackluster 4.5 percent growth rate. But the greater faith did not pay off so well as some might have hoped. Sales gains through dealer incentives, which averaged 18.4 percent for the past two years, dipped to 16.1 percent in 1988 efforts. Average program costs for dealer incentives rose to 15 percent of incremental sales, up from 12 percent.

In both sales and dealer incentives, the median cost remains at 10 percent of incremental sales, where it has held for several years.

While travel costs also rose for dealer incentive users, the increase in trip cost has not resulted in any significant drop in dealer travel campaigns. In fact, expenditures advanced 5.9 percent this year, following an anemic 3.1 percent expansion during 1987.

Consumer promotion is the major laggard this year, expanding only 4.1

THE INCENTIVE FIELD AT A GLANCE

ALL FIGURES IN THOUSANDS

	1988 EXPENDITURES	1987 EXPENDITURES	% CHANGE
▶ **SALES INCENTIVES**	$4,760,479	$4,464,731	+6.6%
Merchandise	3,496,695	3,247,336	+7.7%
Travel	1,263,784	1,217,395	+3.8%
▶ **DEALER INCENTIVES**	$2,697,004	$2,538,066	+6.3%
Merchandise	1,768,352	1,660,814	+6.5%
Travel	928,652	877,252	+5.9%
▶ **MERCHANDISE TOTAL**	$5,265,047	$4,908,150	+7.3%
▶ **TRAVEL TOTAL**	$2,192,436	$2,094,647	+4.7%
▶ **TRADE TOTAL**	$7,457,483	$7,002,797	+6.5%
▶ **BUSINESS GIFTS**	$1,551,324	$1,486,945	+4.3%
▶ **CONSUMER PREMIUMS**			
Product Promotion:	$4,108,091	$3,925,162	+4.7%
• Mail-In Offers	2,096,579	1,988,071	+5.5%
• Direct Premiums	2,011,512	1,937,091	+3.8%
Retail Promotions:	$1,594,810	$1,552,656	+2.7%
• Sweepstakes, Games	198,032	185,946	+6.5%
• Direct, Trading Stamps	1,396,778	1,366,710	+2.2%
▶ **CONSUMER TOTAL**	$5,702,901	$5,477,818	+4.1%
▶ **TOTAL USAGE**	**$14,711,708**	**$13,967,560**	**+5.3%**

Does not include nonsales employee spending; this will be included in a future survey.

INCENTIVE USAGE BY INDUSTRY

ALL FIGURES IN THOUSANDS

INDUSTRY	1988 EXPENDITURES	% CHANGE FROM 1987
Food Products	$1,557,350	+ 3.9%
Toiletries & Cosmetics	961,511	+ 10.4
Auto Parts, Tires, Accessories	857,892	+ 14.1
Insurance	677,648	+ 8.9
Electronics, Radio, TV	476,813	+ 3.3
Automobiles & Trucks	441,780	+ 8.5
Building Materials	338,162	+ 6.1
Heating & Air Conditioning	295,833	+ 7.0
Petroleum Products	294,999	+ 2.2
Publishers, Printers, Broadcasters	288,097	+ 4.8
Office Equipment	287,788	+ 3.1
Beer, Ale, Soft Drinks	241,017	+ 10.0
Detergents & Cleansers	224,550	+ 5.1
Farm Equipment	216,467	+ 7.1
Electric Appliances	214,384	+ 3.2
Housewares & Home Furnishings	211,258	+ 4.4
Banks, Savings & Loan	210,674	+ 2.6
Feed, Fertilizer, Farm Supplies	195,182	- 0.4
Pharmaceuticals	191,776	+ 5.5
Machinery & Supplies	157,118	+ 9.7
Electrical & Lighting Equipment	126,769	- 0.4
Industrial Chemicals	112,109	+ 2.8
Furniture & Floor Coverings	94,193	+ 7.0
Paper Products & Packaging	84,606	+ 4.4
Paints & Varnishes	70,476	+ 9.0
Apparel	60,399	+ 6.2
Sporting Goods & Toys	55,817	+ 5.1
Hardware	35,341	+ 11.4
Public Utilities	27,113	+ 4.3
Miscellaneous Manufactures	811,278	+ 5.7
Miscellaneous Services	937,373	+ 7.0
Wholesalers & Distributors	1,366,746	+ 1.2
Retailers	2,589,189	+ 3.0

percent; this compares with an increase of 5.6 percent a year ago. Product promotion by manufacturers and distributors shows just a little more life, with a 4.7 percent rise. Retailers' incentive activity grew only 2.7 percent over last year.

The product marketers report a significant drop in yield—only 16.1 percent sales growth compared with 18.7 percent last year. In another measure of effectiveness, those seeking store displays get a 26 percent promotional plus; use of incentive displays was up 38 percent a year ago.

Down at the store, retailers spent 6.5 percent more this year for sweepstakes and game promotions. But in the much larger area of direct premiums (including stamps), they spent only 2.2 percent more than in 1987.

Even business gifts, which often outperform the structured promotions, managed only a 4.3 percent rise in expenditures this year.

Employee motivation awards—incentives to promote safety, attendance, quality and productivity among nonsales workers—show above-average growth. The first **Incentive** survey of this area was conducted this year (see June issue), but not enough information has been developed to estimate expenditures. But the estimates of surveyed companies suggest the trend. Of 279 questionnaires, 215 provide dollar figures for 1987 and 1988. Those estimates show a planned increase in expenditures, year to year, of 8.4 percent.

About 39 percent of the expenditures is for merchandise awards; 36 percent for cash prizes; 15 percent for travel, and 10 percent for recognition awards. Merchandise is the most popular type of award for production employees, and cash predominates for office and service personnel.

About 39 percent of employee motivation expenditures are for merchandise awards.

While overall expansion in incentive spending has been light this year, there are areas of vigorous activity. Sixteen of the industries in the survey enlarged their incentive budgets more than the overall average of 5.3 percent.

Four industries added double digits to their 1987 expenditures. Leading these optimists are makers of auto parts, spending 14.1 percent more. Hardware, a relatively small user, added 11.4 percent. Toiletries and cosmetics firms increased incentive outlays by 10.4 percent, and beer, ale and soft drink marketers are spending 10 percent more.

At the other extreme, five of the tabulated industries report what amounts to a drop in real expenditures on incentives. Two actually reduced dollar input slightly: Feed, fertilizer and farm supplies, and electrical and lighting equipment both cut budgets by 0.4 percent. Petroleum marketers added only 2.2 percent; banks, 2.6 percent, and industrial chemicals, 2.8 percent.

A major factor in the overall slow growth this year is the sluggish performance of a prime user category cutting across all manufacturing industries: wholesalers and distributors, who account for more than 9 percent of all incentive activity. This year, the usually active middlemen raised their budgets by a mere 1.2 percent. Last year, they upped spending by 10.7 percent.

Wholesalers and distributors are usually large spenders for sales incentives. This year, use of merchandise declined by 1.1 percent, although the smaller area of travel expenditures grew an estimated 8 percent. Dealer programs show less than 1 percent growth in both merchandise and travel. □

CONTINUED ON PAGE 26